

# Sport governance observer: Testing the state of governance in international sport

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# Outline

1. AGGIS project
2. Test study
  1. Accountability
  2. Term limits
  3. Conclusions
3. Sports governance observer

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# Partners



Univerza v Ljubljani



AGGIS - Action for Good Governance in International Sports Organisations



# Objectives

- identify **guidelines and possible solutions** to improve the governance of international and European sports organisations
- further **qualify and stimulate the public debate** about governance issues related to international sport
- mobilising a group of leading European experts in the governance of sport to **analyse the current state of governance** in international and European sports organisations

# Outcomes



Includes  
Test  
study

Download the AGGIS leaflet and the final report at: [www.aggis.eu](http://www.aggis.eu)

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# Test study

- Review of 35 Global Sport Governing Bodies
  - ✓ Recognised by the IOC
  - ✓ No regional federations
  - ✓ Not including IOC, WADA,...

- Focus on areas perceived as problematic:  
accountability, stakeholder participation and executive body members in SGBs

Today: focus on

- ✓ Certain accountability issues
- ✓ Lack of term limits elected officials

What is the current state with regard to good governance?

Is there a need for the Sports Governance Observer?



lack of empirical evidence



# Accountability

- A. Parliamentarians
- B. Board of directors
- C. ExCo international sports organisations

Has to explain and justify

- A. People
- B. Shareholders
- C. Member federations/  
ethics committee

Lack of accountability arrangements constitutes a potential breeding ground for

- ✓ Corruption
- ✓ Concentration of power
- ✓ Lack of democracy
- ✓ Lack of effectiveness

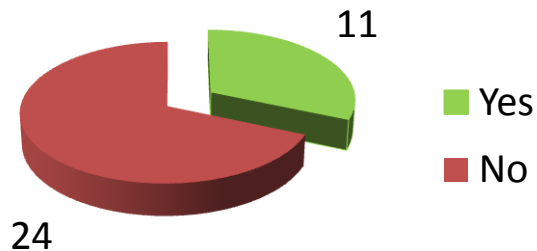
Three elements: A, B & C  
Accountability arrangements help to make sure 3 elements are present

# Finances and audit committee

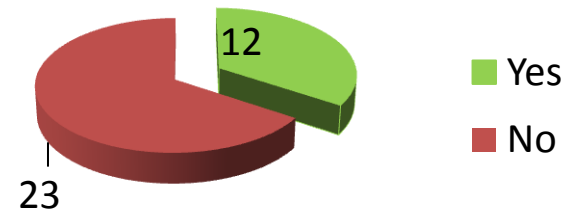
‘Explain and justify conduct’ : monitoring mechanisms

- ✓ Need for complete and credible information on the accuracy of the accounting and financial reporting of the governing body.
- ✓ Financial and Audit Committee

Financial Committee



Audit Committee



# Funding

## Funding to Member Federations: potential danger for accountability

- ✓ Can be used to get support for a certain policy agenda
- ✓ Member Federations may become benevolent in order to obtain funding

➡ MFs will not be inclined to pose questions and pass judgement

➡ They will turn from WATCHDOGS into LAPDOGS for ExCo members

## Solution?

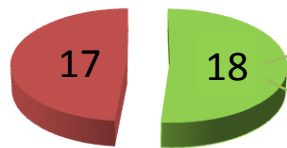
- ✓ Make specific decisions related to the distribution of funding objectively reproducible
  - Funding should be awarded according to objective, pre-established criteria
- ✓ Make distributed funding open to outside scrutiny
  - Distribute funds in a transparent manner

# Funding

Are funds distributed transparently and according to pre-established criteria?

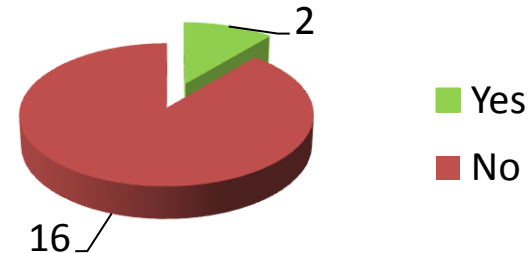
NO

Funding distributed?

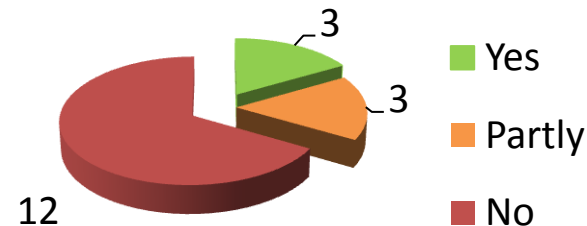


■ Yes ■ No/ Unknown

Objective criteria?



Transparent distribution?



# Ethics committee

In theory an ethics committee is an excellent tool for holding ExCo members accountable

↳ However: 3 elements of accountability must be present

- ✓ 'explain and justify conduct'
- ✓ 'pose questions'
- ✓ 'pass judgement'

↳ Therefore:

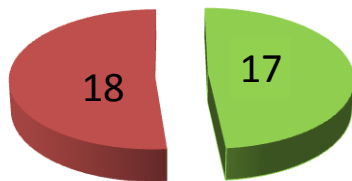
- ✓ ethics committee should have the power to initiate proceedings *ex officio*, without referral by the ExCo or president
- ✓ ethics committee should be sufficiently independent from the ExCo

# Ethics committee

Are ethics committees present, are they sufficiently independent and can they initiate proceedings ex officio?

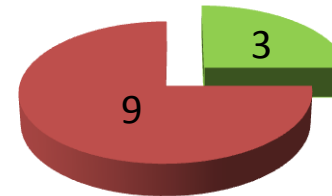
NO

Code of ethics?



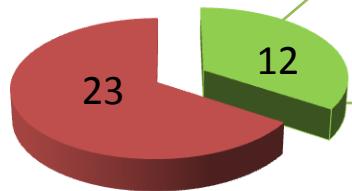
Yes No

Independent ethics committee?



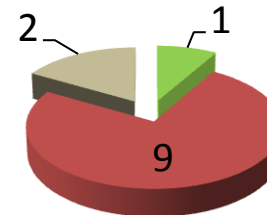
Yes  
No

Ethics Committee?



Yes No

Ex officio investigations?



Yes  
No  
Unclear

# Term limits for elected officials

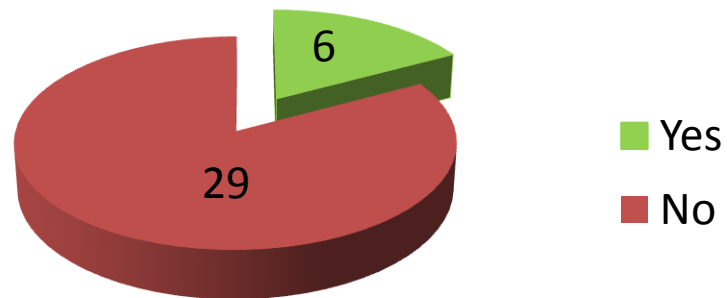
In general, term limits constitute a remedy for several tenure issues

- ✓ High rates of reelection stemming directly from the advantage incumbents enjoy over challengers
- ✓ Apathetic voters due to the certain reelection of incumbents
- ✓ Monopolisation of power

# Term limits for elected officials

What is the *status quaestionis* with regard to term limits for elected officials?

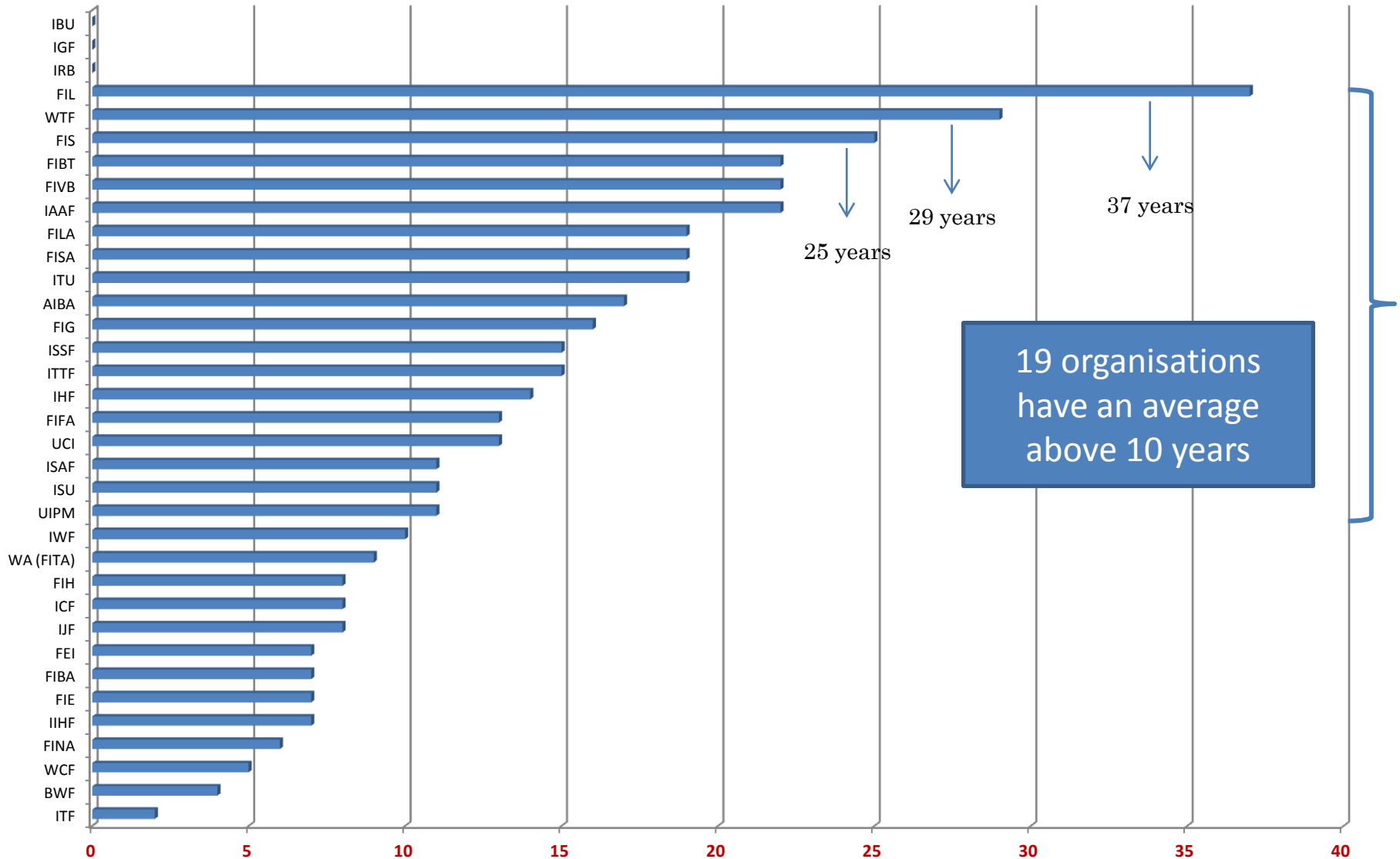
Presence of term limits





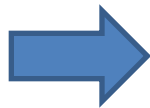
# Term limits for elected officials

Example of potential monopolisation of power: average number of years in office for the 35 sports governing body presidents



# Conclusions

- Our study
  - Empirical evidence for lack of good governance in SGBs
  - Ethical scandals: institutionally induced
- How can change be achieved?
- Conclusion: what can we learn from this?
  - Need for list of good governance indicators
  - Need for external pressure (benchmarking)



**SPORTS GOVERNANCE OBSERVER**

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## TRANSPARENCY AND PUBLIC COMMUNICATION

1	The organisation publishes its statutes/constitution on its website	
2	The organisation publishes its by-laws on its website	
3	The organisation publishes its sport rules on its website	
4	The organisation publishes its organisational chart on its website	
5	The organisation publishes its strategic plan on its website	
6	The organisation publishes the agenda and minutes of its statutory meetings on its website	
7	The organisation gives the media access to its general assembly	
8	The organisation publishes basic biographical information about its board members and senior officials on its website	
9	Contact details to board members and senior officials are published on the website	
10	The organisation publishes information about its member federations on its website	
11	The organisation publishes its annual general activity report on its website	
12	The organisation publishes reports of its standing committees on its website	
13	The organisation publishes an annual financial report on its website	
14	The organisation publishes remuneration, for example per diem payments and bonuses of its board members and senior officials on its website	
15	The organisation publishes main event reports with detailed and relevant information on its website	

## CHECKS AND BALANCES

1	The organisation has an internal audit committee	
2	The organisation is externally audited by international recognised standards	
3	The organisation has accounting control mechanisms in place	
4	The organisation separates regulatory and commercial functions	
5	The organisation has or recognises an Ethics/Integrity Code for all its members and officials	
6	The organisation has clear conflict of interest rules	
7	The organisation recognises a code or has its own standards of good governance	
8	The organisation has an independent body (e.g. Ethics Committee) to check the application of the rules referred in question 5-7 above	
9	The organisation's decisions can be contested through internal channels specified in its governing document/s	
10	The organisation recognises Court of Arbitration for Sport (CAS) as an external channel of complaint and allows athletes and officials to contest decisions in civil courts	
11	The organisation recognises and complies with the WADA World Anti-Doping Code	

## DEMOCRATIC PROCESS

1	There are elections of the president and the governing bodies and standing committees	
2	The elections are on the basis of secret ballots and clear procedures detailed in its governing document/s	
3	The organisation offers to the candidates standing for election opportunities to present their programme/manifesto	
4	The decisions on allocation of major events are made through a democratic, open and transparent process	
5	The organisation's major policy decisions are taken by ballot in the general assembly/congress or similar	
6	The organisation defines a quorum in its governing document/s for its decision making bodies	
7	The organisation's elected officials have a term limit	
8	The organisation's general assembly meets at least once a year	
9	The organisation's governing body meets regularly	
10	The organisation has gender equity guidelines for its leading officials	
11	The criteria for a bid for major events are communicated to its members in good time	
12	The organisation provides opportunity for stakeholders to be represented within the organisation	

## SOLIDARITY

1	The organisation allocates specific resources for the global development of grass-root activities	
2	The organisation has legacy requirements for communities in which its events are hosted	
3	The organisation inspects and audits the use of funds given to its internal stakeholders	
4	The organisation adopts an environmental management system (ISO, EMAS or similar) for its major events	
5	The organisation has a well-defined Social Responsibility (SR) strategy and/or programmes	
6	The organisation controls the use of funds given to its SR programmes and applies ISO 26000 <sup>5</sup> standard or similar	
7	The organisation offers consulting to member federations in the areas of organisations and management through workshops, one to one advice or similar	
8	Representatives from economically disadvantaged member federations can apply for support to attend the general assembly	
9	The organisation adopts a clear anti-discrimination policy	

**Indicator 3.8**

The organisation has an independent body (e.g. Ethics Committee) to check the application of the rules referred in indicators 3.5 and 3.6

Score		Variables
1	Not fulfilled at all	There is no ethics committee or similar in place
2	Weak	<ul style="list-style-type: none"> <li>- The committee cannot initiate proceedings on its own initiative and/or the committee members are <i>not</i> independent from the governing body and they do not include active sports officials and/or staff <i>cannot</i> report irregular behaviour committed by employees in the knowledge that they are afforded protection and safety (whistle-blower protection)</li> </ul>
3	Moderate	<ul style="list-style-type: none"> <li>- The committee has the power to initiate proceedings on its own initiative</li> <li>- The committee members are <i>not</i> independent from the governing body and they do not include active sports officials and/or staff <i>cannot</i> report irregular behaviour committed by employees in the knowledge that they are afforded protection and safety (whistle-blower protection)</li> </ul>
4	Good	<ul style="list-style-type: none"> <li>- The committee members are independent from the governing body and they do not include active sports officials.</li> <li>- The committee has the power to initiate proceedings on its own initiative</li> <li>- Staff can report irregular behaviour committed by employees in the knowledge that they are afforded protection and safety (whistle-blower protection)</li> </ul>
5	State of the art	<ul style="list-style-type: none"> <li>- The committee members are independent from the governing body and they do not include active sports officials.</li> <li>- The committee has the power to initiate proceedings on its own initiative</li> <li>- The committee has its own budget</li> <li>- The committee members are objectively recruited</li> <li>- The committee members are appointed by the congress</li> <li>- Staff can report irregular behaviour committed by employees in the knowledge that they are afforded protection and safety (whistle-blower protection)</li> <li>- The committee is separated into an investigatory and an adjudicatory chamber (separation of powers)</li> </ul>

Geeraert, A., Alm, J. And Groll, M. (2013). Good governance in international sport organisations. An analysis of the 35 Olympic Sport Governing Bodies. *International journal of sport policy and politics*, iFirst.

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